

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1719 – HB 2137

February 2, 2016

SUMMARY OF BILL: Authorizes full-time law enforcement officers and firefighters to enroll in one course per term at any state-operated institution of higher learning without paying tuition charges or fees. Authorizes the college or university to limit or deny enrollment privileges according to space availability and prohibits the college or university to limit or deny enrollment to any tuition-paying student because of enrollment pursuant of this section. Fees waived by this section shall not be deducted from the institution's budget recommended by the Tennessee Higher Education Commission (THEC).

ESTIMATED FISCAL IMPACT:

Decrease State Revenue – \$593,600/TBR/FY16-17

\$446,000/UT/FY16-17

Exceeds \$593,600/TBR/FY17-18 and Subsequent Years

Exceeds \$446,000/UT/FY17-18 and Subsequent Years

Assumptions Relative to the Tennessee Board of Regents:

- Based on information from the current state employee discount program, the Tennessee Bureau of Labor and Statistics, the Tennessee Consolidated Retirement System (TCRS) and the Board of Regents (TBR), an estimated 776 additional individuals will receive an annual tuition waiver for one course beginning in FY16-17.
- The average tuition waiver per course in FY14-15 at a TBR institution was \$721.
- The minimum annual increase in tuition is estimated to be three percent; therefore the average tuition waiver per course in FY16-17 is estimated to be \$765 [(\$721 x 103%) x 103%]
- The decrease in state revenue to TBR institutions in FY16-17 is estimated to be \$593,640 (\$765 x 776) and is estimated to exceed this amount in FY17-18 and subsequent years.

Assumptions Relative to the University of Tennessee:

- Based on information from the current state employee discount program, the Tennessee Bureau of Labor and Statistics, the Tennessee Consolidated Retirement System (TCRS) and the University of Tennessee (UT), an estimated 439 additional individuals will

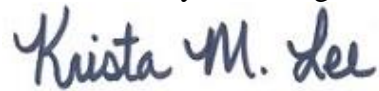
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receive an annual tuition waiver for one course at a UT institution beginning in FY16-17.

- The average tuition waiver per course in FY14-15 at a UT institution was \$958.
- The minimum annual increase in tuition is estimated to be three percent; therefore, the average tuition waiver per course in FY16-17 is estimated to be \$1,016 [$(\$958 \times 103\%) \times 103\%$].
- The decrease in state revenue to UT institutions in FY16-17 is estimated to be \$446,024 ($\$1,016 \times 439$) and is estimated to exceed this amount in FY17-18 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/rbp